

**Exhibit A to**  
**Reply to Office Action**

# Dictionary of Finance and Investment Terms

## Fifth Edition

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## PRIORITY

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Synonymous with **CORPUS**. See *also* **TRUST**.  
**Insurance**: amount specified as payable to the beneficiary under a policy, such as the death benefit.

**PRIORITY** system used in an **AUCTION MARKET**, in which the first bid or offer price is executed before other bid and offer prices, even if subsequent orders are larger. Orders originating off the floor (see **OFF-FLOOR ORDER**) of an exchange also have priority over **ON-FLOOR ORDERS**. See *also* **MATCHED AND LOST**; **PRECEDENCE**.

**PRIOR-LIEN BOND** bond that has precedence over another bond of the same issuing company even though both classes of bonds are equally secured. Such bonds usually arise from **REORGANIZATION**. See *also* **JUNIOR ISSUE**.

**PRIOR-PREFERRED STOCK** **PREFERRED STOCK** that has a higher claim than other issues of preferred stock on dividends and assets in **LIQUIDATION**; also known as *preference shares*.

**PRIVATE ACTIVITY BOND** see **PRIVATE PURPOSE BOND**.

**PRIVATE LETTER RULING** Internal Revenue Service (**IRS**) response to a request for interpretation of the tax law with respect to a specific question or situation. Also called *letter ruling*, *revenue ruling*.

**PRIVATE LIMITED PARTNERSHIP** **LIMITED PARTNERSHIP** not registered with the Securities and Exchange Commission (**SEC**) and having a maximum of 35 limited partners. See *also* **ACCREDITED INVESTOR**.

**PRIVATE MARKET VALUE (PMV)** aggregate market value of a company if each of its parts operated independently and had its own stock price. Also called *breakup value* or *takeover value*. Analysts look for high PMV in relation to market value to identify bargains and potential **TARGET COMPANIES**. PMV differs from **LIQUIDATING VALUE**, which excludes **GOING CONCERN VALUE**, and **BOOK VALUE**, which is an accounting concept.

**PRIVATE MORTGAGE INSURANCE (PMI)** type of insurance available from lenders that insures against loss resulting from a default on a mortgage loan and can substitute for down payment money.

**PRIVATE PLACEMENT** sale of stocks, bonds, or other investments directly to an institutional investor like an insurance company. A **PRIVATE LIMITED PARTNERSHIP** is also considered a private placement. A private placement does not have to be registered with the Securities and Exchange Commission, as a **PUBLIC OFFERING** does, if the securities are purchased for investment as opposed to resale. See *also* **LISTED SECURITY**.

**PRIVATE PURPOSE BOND** category of **MUNICIPAL BOND** distinguished from **PUBLIC PURPOSE BOND** in the **TAX REFORM ACT OF 1986** because 10% or more of the bond's benefit goes to private activities or